



ASX / Media Release

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Sale of Chatswood and Browns Plains Assets for \$119.0 million

FKP Property Group (ASX: FKP) today announced the divestment of two investment properties for a combined consideration of \$119.0 million.

The 15-level A-grade commercial office building at 465 Victoria Avenue in Chatswood, Sydney has been sold to Hines Global REIT for a gross price of \$92.0 million (prior to incentive adjustments), a \$2.5 million premium to FKP's 30 June 2012 book value. This represents a passing yield of 7.79%. Settlement of this transaction will occur on 28 February 2013.

Following the announcement made in December 2012, the 1.6-hectare 'Village Square' masterplanned mixed-use retail and commercial office precinct at Browns Plains in Queensland has been sold to Engage Capital for \$27.0 million, \$3.0 million below FKP's 30 June 2012 book value. Settlement of this transaction will occur on 26 February 2013.

FKP Executive Chairman Seng Huang Lee said: "These divestments demonstrate management's focus on narrowing the gap between our current security price and NTA and are in line with our stated 'back-to-basics' strategy to simplify our business and strengthen our balance sheet."

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About FKP

With more than 30 years' experience in the Australian property industry, FKP Property Group (FKP) is one of Australia's leading diversified property and investment companies. FKP successfully operates an integrated business model which includes retirement, property investment and funds management, land development, property development (incorporating residential, retail, industrial and commercial) and construction across Australia and New Zealand. FKP is an ASX top 200 company.

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